

# **Virginia Racing Commission**

## **MINUTES**

### **OF THE**

#### **COMMISSION MEETING**

**July 15, 2009**

**HORSEMEN'S BUILDING  
COLONIAL DOWNS  
10700 HORSEMEN'S ROAD  
NEW KENT, VA**

#### **In Attendance**

##### **Commission Members:**

Peter C. Burnett, Chairman  
Clinton Miller, Vice-Chairman  
Mark T. Brown  
Trip Ferguson  
David C. Reynolds

##### **Commission Staff:**

Victor I. Harrison, Executive Secretary  
David S. Lermond, Jr., Deputy Executive Secretary  
Kimberly M. Carter, Office Administrator  
C. Richard Harden, DVM, Commission Veterinarian  
Jean Chalk, Thoroughbred Steward

##### **Attorney General's Office:**

Amy K. Dilworth

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At 9:41 a.m., the monthly meeting of the Commission was called to order by Chairman Burnett.

Prior to the regularly monthly meeting, an appeal was heard on the matter of Owner/Trainer Teresa Connelly who had removed her horse from the testing barn prior to samples being taken. Chairman Burnett informed the Commission that Ms. Connelly's case had been heard by the Stewards and that the Stewards had imposed a penalty. Her counsel, Mr. Petramalo spoke on her behalf. Mr. Chalk spoke to the matter from the

Steward's point of view. After a lengthy discussion, Vice Chairman Miller made a motion that Ms. Connelly's suspension run 45 days beginning on July 5<sup>th</sup> and, as a condition of her being re-licensed in Virginia, she will have to present proof, satisfactory to the Commission, of her successful completion of an anger management course. The motion was seconded by Commissioner Reynolds. All were in favor. The motion carried.

The minutes of the June 17, 2009 meeting were approved unanimously.

During the Executive Secretary's report, Mr. Harrison commented that the transcripts of our monthly meetings are available on-line on the VRC website. He gave an update on the 100% Virginia bonus - through the first 30 days of the meet, \$337,000 had been given away, averaging out a little over \$11,000 per performance (\$11,237). Multiplied out over the final ten days, "we should come in barring anything wild and unusual at about \$450,000 for the program for this year." Mr. Harrison commented on the legislation for 2010 - August 28 is the deadline for getting any bills, proposals, through the VRC to Commerce and Trade to the Governor's Office.

The Racing Summit Working Group held its first meeting on June 25<sup>th</sup> in Fredericksburg. Eleven individuals were in attendance and the minutes of the meeting were scheduled to be distributed to everyone part of the original e-mail group consisting of about 40 individuals. The official name of the group is changed to the Virginia Racing Improvement Group. Chairman Burnett commented that, "The focus of the group is to comprehensively look at how a non-alternative gaming racing program (that is not year-round) can take its best hold in the marketplace."

The VHHA submitted its 2009 proposed budget for administration of Breeders Funds in the amount of \$50,000. The motion for approval was made by Commissioner Brown and seconded by Chairman Burnett. All were in favor. The motion carried.

The VTA submitted its 2009 proposed budget for the administration of Breeders Funds in the amount of 162,478.59. The motion for approval was made by Commissioner Brown and seconded by Chairman Burnett. All were in favor. The motion carried.

Ian Stewart, President of Colonial Downs commented positively on the thoroughbred meet to date. Mr. Stewart said that TrackNet Media is boycotting the current meet and that YouBet has joined the boycott accounting for a 19 percent handle reduction. He said that their actions were, "obviously in response to the new account wagering law which went into effect July 1<sup>st</sup>." Mr. Petramalo added his support to Mr. Stewart's comments. A discussion ensued that made clear the differences between importing and exporting states. Gregg Scoggins spoke on behalf of XpressBet and, during public participation, Mr. Dan Perini represented that YouBet's dropping of the Colonial signal has nothing to do with TrackNet's actions. He said, "There has been an effort to subvert that contract by going to the legislature without any prior discussion with us to try to eviscerate that contract despite that we entered into a settlement agreement

and a contract. It's difficult for us to engage in a partnership with a track and distribute their signal under those circumstances.”

Chairman Burnett questioned the meaning of ‘a deal’ when viewed in the light of the recent ADW legislation and the ADW agreements in place as of July 1, 2009. The effect of rebating on wagering was discussed both from a patron’s point of view and from the viewpoint of the track seeking source market fees. There was talk of Host Fees versus source-market-fees.

Jeanna Bouzek spoke to the impact of ADW on the SWF’s (OTBs).

The merits of the historical 1/3, 1/3, 1/3 revenue split was discussed.

Glenn Petty suggested a regional approach to racing and regulating.

The Commissioners went into a brief closed session and, upon return, “there being no further business,” August 19<sup>th</sup> was set as the date of the next meeting to be held at the Horsemen’s Building, Colonial Downs, 10700 Horsemen’s Road, New Kent, VA. It was moved, seconded, and carried to adjourn this July, 2009 monthly meeting of the Commission.